## **Regents Discuss Fee Raises**

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LOS ANGELES— At Wednesday's University of California Regents meeting, UC Berkeley Chancellor Robert Birgeneau suggested that contrary to popular opinion, student fee hikes have the potential to actually benefit low-income students.

Always a hot topic, student fee hikes have become particularly controversial in the wake of Gov. Arnold Schwarzenegger's recently released proposed 2008-2009 budget. The budget, which includes a 10 percent across-the-board cut to state programs, prompted representatives from the UC Office of the President to acknowledge that they will likely have to increase fees to counter the expected net loss of \$109 million to the UC budget.

"The worst thing you can do is to freeze fees," Birgeneau said on behalf of the UC Affordability Workgroup.

In contrast to the public comment period, which consisted primarily of requests by student groups for a fee freeze as well as expanded diversity within the UC, Birgeneau maintained that graduation rates for low and high-income students have not decreased in response to cost increases.

Instead he blamed difficulties in funding undergraduate education on non-fee costs, such as the high cost of living in California, as opposed to rising university fees.

While Birgeneau did not specifically endorse fee hikes, he did stress that students would benefit from the increased revenue to UC from fee increases, which would then be returned to financial aid and passed on to students to assist with paying for things such as rent, textbooks and food.

One PowerPoint slide illustrated that projected rates of student debt without the burden of a fee increase exceeded the projected debt should the fees increase, according to data compiled by the workgroup.

But Lt. Gov. John Garamendi said Birgeneau's fundamental assumption is that the UC needs to continue to raise fees because the state has not kept up with its share of funding the university, adding that the burden has been transferred to students. Garamendi is slated to deliver his recommendation that the regents cap all student fees at the 2007-2008 level during today's finance meeting.

"This is a continuing trend that goes against long tradition of UC and CSU of access based on academics and intelligence," Garamendi said.

"I think there's a way to come to a win-win," said D'Artagnan Scorza, student regent designate. "I'll take on the prison industry any day in order to get more money for higher education. We don't need to fund prisons, we need to fund education."

Birgeneau's other recommendations to resolve the gap in state support and the cost of living in California included raising \$1 billion through private funding and challenging the state to match it, increasing the UC's high-yield investments, and improving the Cal Grant B program so it covers the first year of fees as well as the remainder of undergraduate studies.

Additionally, the update on competitive compensation for chancellors indicated that the standard annual chancellor salary of \$361,000 is 30 percent below the market median of \$519,000, and the regents agreed that a solution for this discrepancy needs to be a high priority.

"I care deeply about taking excess cost out of a bloated, dysfunctional bureaucracy and putting it where it belongs," said Chairman Richard Blum, referring to funds anticipated to be shifted as a result of the current UC restructuring process.

Blum said urgency was of the utmost importance, despite that the chancellors themselves had already requested to table the item until the UC is in a better financial condition.

"If we wait until the right time, we could be here forever," Blum said.

Further, the study group on the University Diversity Workgroup reported that there has been little change in the number of minority faculty members since 1990. The lack of increased minority hiring was blamed on lack of retention, which the group attributed to a climate of ethnic isolation as well as insufficient compensation.

"The numbers are low and they're going nowhere," said Gibor Basri, chair of the Faculty Work Team Study Group on University Diversity.